

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
Affordable Connectivity Program)	WC Docket No. 21-450
)	

**COMMENTS OF FRONTIER COMMUNICATIONS
CORPORATION**

Frontier Communications (NASDAQ: FYBR) provides the following comments on the Commission’s public notice regarding the implementation of the Affordable Connectivity Program (“ACP”), as it transitions from the Emergency Broadband Benefit (“EBB”) Program.¹

The Commission and broadband providers worked together effectively for the successful launch of EBB earlier this year, and the program has been highly successful, both at reaching eligible low-income households and attracting participation by a broad cross-section of the broadband industry. In the Infrastructure Investment and Jobs Act (“IIJA”), Congress charged the Commission with making significant changes to the program as it becomes the ACP.² Frontier urges the Commission to recognize that these changes will require considerable work on the part of participating providers, and adequate lead time will be necessary for successful implementation of the ACP. One of the more complicated provisions of the new law for providers to implement is the requirement to allow customers to apply the benefit to a broader range of plans, on the same terms available to households that are not eligible for the ACP

¹ *Wireline Competition Bureau Seeks Comment on the Implementation of the Affordable Connectivity Program*, Public Notice, DA 21-1452 (Wireline Comp. Bur. rel. Nov. 18, 2021) (“Public Notice”).

² Infrastructure Investment and Jobs Act, H.R. 117-70, Public Law No. 117-58, div. F., tit. V, § 60502 (2021).

benefit.³ The Commission can facilitate providers' ability to implement this new requirement by providing a reasonable transition period where it allows new customers to apply the ACP benefit to existing EBB plans and by limiting the scope of this requirement to plans that are available to new customers.

I. ALLOW PROVIDERS SUFFICIENT TIME TO IMPLEMENT NECESSARY CHANGES.

The Commission's deadline for adopting rules for the ACP is January 14, 2022,⁴ and the Universal Service Administrative Company could need substantial additional time to make necessary systems changes and ensure its systems are working as expected.⁵ Service providers, too, will need substantial time to implement changes to their systems and procedures to reflect the new requirements. The Commission recognized that providers need sufficient time to implement new programs and requirements when it provided more than sixty days between issuing final rules and launching the EBB.⁶ The need for additional time is particularly acute given that the ACP effective date falls during a period of the year when systems personnel are more likely to be on personal leave.

The Commission should take all necessary steps to ensure an adequate transition period for all affected stakeholders. Frontier supports the Commission's proposal to provide a reasonable voluntary transition period to allow new ACP customers to bring their ACP benefit to

³ IJA § 60502(a)(3)(B)(ii).

⁴ See Public Notice, para. 6.

⁵ *Id.*, paras. 43, 126-127.

⁶ See Public Notice, para 5.

existing EBB plans beginning December 31, 2021,⁷ and Frontier requests the Commission keep this transition period open until providers have had sufficient time to fully implement the new ACP rules. This initial change to open up EBB plans to the ACP benefit for the transition period requires a comparatively modest IT system update of changing the credit from \$50 to \$30 compared to the much larger lift of opening up the ACP benefit to additional plans. The Commission’s approach wisely enables customers newly eligible for a subsidy to take advantage of competitive broadband plans immediately and is a transition that should extend with plenty of additional time while carriers implement the full program after full rules announced. Extending this transition period is in the public interest and customer friendly—for example, prospective Frontier ACP customers will have access to 50/50 Mbps fiber internet, where available, and up to 25/2 Mbps DSL, where available, at a cost of \$19.99, which would be fully covered by the ACP benefit, and 500/500 Mbps fiber internet, where available, at a cost of \$49.99, or \$19.99 after the ACP credit.⁸

The Commission’s transition period should extend until the Commission’s new ACP rules become effective,⁹ and it should provide adequate time for carriers to implement the new rules. Specifically, the Commission should provide an additional transition period of at least 60

⁷ See *Emergency Broadband Benefit Program; Affordable Connectivity Program*, Order, DA 21-1524, para. 22 (Wireline Comp. Bur. rel. Dec. 8, 2021) (“Dec. 8 Public Notice”).

⁸ See Frontier, *Emergency Broadband Benefit* (last accessed Dec. 7, 2021), <https://www.getfrontierfiber.com/ebb-offer>.

⁹ For purposes of limiting the 60-day extension of the full \$50 EBB benefit to those fully enrolled prior to December 31, 2021, the Wireline Bureau has already announced that it will “be necessary to stop enrollments in the EBB Program prior to the December 31, 2021 effective date for administrative purposes and to ensure compliance with the requirements of the Infrastructure Act.” See *Emergency Broadband Benefit Program; Affordable Connectivity Program*, Order, DA 21-1477, para. 10 (Wireline Comp. Bur. rel. Nov. 26, 2021).

days after the rules become final—and at least 120 days if the Commission requires providers to apply the discount on grandfathered plans, as discussed in the following section—for providers to implement the new rules and begin accepting ACP customers on their internet service offerings.

As the Commission explained, this approach of allowing existing EBB Program providers to “offer their EBB Program service plans . . . on a voluntary basis” ensures adherence to the statutory requirement that the ACP begin on December 31, 2021 and that providers “be able will be able to offer ACP discounts on any of their internet service offerings.”¹⁰ It also prevents substantial frustration on the part of eligible households that would result if providers were required to give effect to requirements that are not yet sufficiently codified in rules. In addition, if the Commission extends this transition period for an adequate time for carriers to implement the full rules, the Commission will guard against providers electing not to continue participating in the program or a long gap in program offerings due to insurmountable implementation challenges.

II. MAKE CLEAR THAT PARTICIPATING PROVIDERS MUST ONLY MAKE ACP BENEFITS AVAILABLE ON BROADBAND PLANS AVAILABLE TO NEW CUSTOMERS

The new rules that the Commission adopts to implement ACP should make clear that the new requirement that participating providers “shall allow an eligible household to apply the affordable connectivity benefit to any internet service offering of the participating provider, at the same rates and terms available to households that are not eligible households”¹¹ applies only to plans that the provider currently offers to new customers. This would exclude legacy or

¹⁰ Dec. 8 Public Notice at paras. 22-23 (citing IJA § 60502(a)(3)(B)(ii)).

¹¹ IJA § 60502(a)(3)(B)(ii).

grandfathered plans as well as existing plans that are only available to customers already subscribing to them.

This limitation is important because most providers will be able to implement systems changes to add the benefit onto plans that are currently being offered to new customers and to future, yet to be developed plans. This approach is consistent with the statutory requirements. First, plans that are not available to new customers are not “offerings” of the provider because the provider does not market, offer, or sell them to new customers. Congress could have used a broader term, such as “plans,” but it chose to use the term “offerings,” thereby limiting the scope of the requirement to packages that are currently “offered for sale.”¹² In addition, grandfathered plans and those which are not currently being offered in the marketplace are not available to new customers and they are not available on *any* rates or terms to “households that are not eligible households.” Thus, excluding these grandfathered and already purchased plans from the ACP benefit requirement is consistent with the statutory requirement.

Excluding grandfathered plans will also benefit Frontier customers. In the event that an existing customer on a grandfathered or legacy plan is newly eligible for the ACP benefit, Frontier would accommodate this customer by transitioning them to a currently offered plan that is comparable to the customer’s existing service and in line with the customer’s selection. Only a minority of Frontier customers are on grandfathered plans to begin with, and the pricing of new plans for comparable or faster speeds is generally lower than for grandfathered plans. If the Commission excludes grandfathered plans, Frontier intends to continue offering its current EBB plans in addition to its new offerings, and Frontier has plans available to ACP-eligible customers

¹² See Merriam Webster (defining “offering” as “something offered for sale or patronage”), <https://www.merriam-webster.com/dictionary/offering>.

that will enable them to have service fully covered by ACP at competitive speeds, as discussed above. If Frontier is required to make significant IT system changes to accommodate all grandfathered plans in order to participate in ACP, Frontier may not be able to continue to accommodate the current EBB plans for new ACP customers due to the IT changes involved.

To the extent that the Commission finds it necessary to extend the requirement to additional plans (which is not required by statute, as discussed above), the Commission should not do so until after the initial implementation period has passed and should provide sufficient additional implementation time beyond 60 days after the rules go into effect—at a minimum an additional 60 days.

CONCLUSION

Frontier shares the Commission's goal of implementing the ACP successfully. The proposals in these comments will help achieve this mutual goal.

Respectfully submitted,

FRONTIER COMMUNICATIONS

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December 8, 2021